REMARKS

Claims 1 – 9 and 11 - 26 are pending. Claim 10 is cancelled without waiver or prejudice. No new matter has been introduced by this amendment into the specification and/or claims.

The Office Action has been addressed herein by amendment, argument and traverse where appropriate. Favorable reconsideration is requested.

Response to Rejections under 35 USC § 101

The Applicant has considered the Examiner's comments and has amended the claims accordingly. While the Applicant does not concur with the Examiner's legal conclusion that software does not "....fall into any one of the allowable classes of invention" he submits that it is unnecessary and unproductive to brief this point now, and in any event it should be moot.

Response to Rejection under 35 USC § 112

Claim 2 has been amended to rectify the antecedent basis informality.

For claims 11 – 20 the Examiner appears to present some form of mixed §101/112 rejection by suggesting that_"software routines" cannot define a system. While Applicant has amended the claim and believes this issue is moot, he also points out the Ex Parte Li case (BPAI No. 2008-1213) as support for the present format. In that decision the Board clearly pointed out that software "modules" alone identified in the claim were adequate to define statutory subject matter and conversely were definite enough to define a "system." As the panel noted:

It has been the practice for a number of years that a "Beauregard Claim" of this nature be considered statutory at the USPTO as a product claim. (MPEP 2105.01, I). Though not finally adjudicated, this practice is not inconsistent with In re Nuijten. (Ibid.). Further, the instant claim presents a number of software components, such as the claimed logic processing module, configuration file processing module, data organization module, and data display organization module, that are embodied upon a computer readable medium. This combination has been found statutory under the teachings of In re Lowry, 32 F.3d 1579 (Fed. Cir.,1994) (emphasis added)

The Examiner must also consider the disclosure in determining if the claims are definite or not. To the extent the Examiner considers the recited "routines" of the present application to be any different substantively from "modules" (which the PTO acknowledges are sufficient to define structure for a system), Applicant points to page 23, II. 20+ of the disclosure, where such routines are also referred to similarly as "modules." FIG. 7 also details the components of various aspects of the system of the present application including certain software modules. Accordingly Applicant submits that the present claims, identifying certain software routines executing on a computing system more than adequately define the scope of a "system" to one skilled in the art.

For claim 19: the Examiner should note that this claim depends from claim 11, in which it is already set out that the user provides certain preference data, including queue replenishment options, for receiving content. This information can be used, as noted in the disclosure for identifying and receiving appropriate playable media items. Accordingly there is nothing inconsistent in claim 19 specifying that the user does not need to provide further input beyond such information. For example, as noted in the disclosure, the user is permitted to have the system automatically add/remove titles based on some specified criteria, such as a new release, a new recommendation, etc. After specifying such request there is no further need for the user to provide further input.

Response to Rejection of claims 1 – 4, 6, 7, 9 – 16, 19 and 20 under 35 USC § 102 based on Hastings et al. (6,584,450)

The above claims were rejected based on Hastings (6,584,450). To address this reference more clearly the claims have been amended to better distinguish therefrom.¹

First, the format of the claims has been amended significantly based on the benefit of prior conversations and suggestions from the Examiner in related cases to improve the flow of the logic and make them consistent with such other prosecutions. The Examiner should note that every effort was made to try and conform the language

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¹ Nothing in the present amendment should be taken as an admission or waiver that Applicant believes that <u>Hastings</u> discloses elements which are not expressly discussed herein. Nonetheless out of deference for the Examiner's time, and to expedite consideration of the case, Applicant's discussion is

based on prior dealings with related limitations/issues, and in particular to clarify the operational relationship of the user selection queue and titles out queues.

In terms of the substance, the emphasis of the claims has been narrowed to focus on certain <u>capacity</u> sharing teachings of the disclosure, as found for example at page 34, II. 18+ (and other areas). In particular, the specification teaches that users/members of the content provider can opt to exchange capacity between each other depending on their particular goals, needs, etc. so as to improve the overall benefits and enjoyment of the site.

In preferred embodiments this capacity exchanged between users is manifested by additional individual "slots" in a titles out list, where such users are otherwise constrained by the computing system from receiving more than a certain number of titles. For example a user 1 may have up to 2 movies out at one time; a user 2 may have up to 1 movie deployed to them at one time. The present claims cover those embodiments in which user 1 may elect to designate an additional delivery slot to user 2, so that the latter now can have 2 movies out at one time, while user 1 now is restricted to just one (1) title out.

This type of flexible allocation/exchange of capacity between users is not disclosed or suggested in the art. Therefore the claims have been amended substantively therefore to clarify this distinction over the prior art of record, including the Hastings et al. reference previously cited to the Examiner. Other language in the claim has been changed to accommodate this focus.

The <u>Hastings et al</u>. reference, as the Examiner is aware, specifically ties a particular number of titles out (N max) to each user; each user therefore has a fixed, non-alienable capacity. Nothing in the reference therefore hints at the present claims in which such capacity for content deployment can be allocated or exchanged between users.

Based on the present amendments, Applicant submits that claim 1 should now be allowable

intentionally focused on those aspects of the claims which are more readily apparent and distinguishable until such time as it may be necessary to address such finer points.

^{(..}continued)

Dependent claims 2 - 4, 6, 7 and 9

These claims should be allowable for at least the same reasons as for claim 1. Given these clear distinctions Applicant is not specifically arguing the separate patentability of these claims, including claims 6 and 9.²

Independent claim 10

This claim is canceled.

Independent claim 11

This claim has been amended to be consistent with claim 1, and therefore should be allowable for at least the same reasons.

<u>Dependent claims 12 – 16, 19 and 20</u> should be allowable for at least the same reasons as for claims 1, 11. Given these clear distinctions Applicant is not specifically arguing the separate patentability of these claims, including claims 12 and 14.3

Rejection of claims 8, 18 as obvious in light of Hastings et al. taken with Official Notice

These <u>claims</u> should be allowable for at least the same reasons as for claims 1, 11 from which they depend. Given these clear distinctions Applicant is not specifically arguing the separate patentability of these claims, except to note that he traverses any suggestion that Official Notice can be taken concerning any aspect of the limitations of claims 8/18, and at the appropriate time would challenge such argument specifically should it be necessary.

Rejection of claims 5, 17 as obvious in light of Hastings et al. taken with Pennell

These <u>claims</u> should be allowable for at least the same reasons as for claims 1, 11 from which they depend. Given these clear distinctions Applicant is not specifically arguing the separate patentability of these claims, except to note that the convenience

² While it is unnecessary to the present discussion, Applicant would point out the lack of teaching in the <u>Hastings</u> reference of the "recommender" of claim 9 and the "predetermined time delay" as set out in <u>claim 6</u>. They are not separately argued here at this time in light of the clear distinctions already presented by claim 1.

³ Again while it is unnecessary to the present discussion, the specific algorithms claimed in claim 14 and the use of two different websites (claim 12) both involve concepts that Applicant believes are not actually shown in the reference.

factor he cites from Pennel – while superficially similar - does not translate directly to the domain served by Internet media rental service providers such as set out in the claims, where a premium is associated and derived from having more eyeballs visit a site in person. Again these factors are not elaborated at length here given the other clear distinctions over the art, but are preserved and will be presented if necessary at the appropriate time.

Dependent claims 21 - 26

These new claims depend from claims 1 and 11, and are directed to more specific embodiments thereof. Support for these claims can be found in the same areas cited earlier for the amendments, including pages 33, I. 20 – page 34, I. 24.

Conclusion

All outstanding issues in the Office Action have been addressed above. Prompt and favorable reconsideration is requested. A petition and fee for a two month extension of time is enclosed. Please charge all necessary fees due, including for the additional new six (6) dependent claims, to deposit account no. 501-244.

Should the Examiner wish to discuss anything related to this case in person, feel free to contact the undersigned at any convenient time.

Respectfully submitted.

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